



## POSTAL REGULATORY COMMISSION

[Docket No. CP2012-35; Order No. 1376]

Product List Changes

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recently-filed Postal Service request to enter into an additional Global Expedited Package Services 3 contracts. This notice addresses procedural steps associated with this filing.

DATES: Comments are due: June 29, 2012.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Commenters who cannot submit their views electronically should contact the person identified in FOR FURTHER INFORMATION CONTACT by telephone for advice on alternatives to electronic filing.

FOR FURTHER INFORMATION CONTACT: Stephen L. Sharfman, General Counsel at 202-789-6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

Notice of filing. On June 21, 2012, the Postal Service filed a notice announcing that it is entering into an additional Global Expedited Package Services (GEPS) 3 contract.<sup>1</sup> The Notice was filed in accordance with 39 CFR 3015.5. Notice at 1.

Background. Customers for GEPS contracts are small- or medium-size businesses that mail products directly to foreign destinations using Express Mail International, Priority Mail International, or both. Id. at 4. Governors' Decision No. 08-7 (as GEPS 1) established prices and classifications not of general applicability for GEPS contracts. Id. at 1. A grouping for GEPS 3 contracts was later added to the competitive product list as an outcome of Docket Nos. MC2010-28 and CP2010-71. The contract filed in Docket No. CP2010-71 was designated as the baseline agreement for purposes of establishing whether subsequent agreements proposed for inclusion within the GEPS 3 grouping are functionally equivalent. Id. at 1-2.

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<sup>1</sup> Notice of United States Postal Service of Filing a Functionally Equivalent Global Expedited Package Services 3 Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, June 21, 2012 (Notice).

Contents of filing. The filing includes a Notice, along with attachments; material filed under seal (consisting of the contract and supporting documents); and Excel spreadsheets. In the Notice, the Postal Service asserts that the instant contract and the baseline contract are functionally equivalent because they share similar cost and market characteristics. Id. at 3. It notes that the pricing formula and classification established in the controlling Governors' Decision No. 08-7 ensure that each GEPS contract meets the criteria of 39 U.S.C. 3633 and related regulations. Id. The Postal Service identifies differences between the instant contract and the baseline contract, but asserts that the differences do not affect either the fundamental service being offered or the fundamental structure of the contract. Id. at 3-6. The Postal Service also addresses pertinent Mail Classification Schedule matters. Id. at 3. It states that, based on the discussion in its Notice and the financial data provided under seal, the instant GEPS 3 contract is in compliance with the requirements of 39 U.S.C. 3633 and is functionally equivalent to the baseline contract, and therefore should be added to the GEPS 3 product grouping.

Supporting attachments include:

- Attachment 1—a redacted copy of the instant contract;
- Attachment 2—the related certification required under 39 CFR

3015.5(c)(2);

- Attachment 3—a redacted copy of Governors’ Decision No. 08-7 (including attachments thereto); and
- Attachment 4—an application for non-public treatment of the contract and certain supporting materials.

Expiration. The agreement is set to expire one year after the Postal Service notifies the customer that all necessary approvals and reviews of the agreement have been obtained, including a favorable conclusion by the Commission. Id.

## II. Commission Action

The Commission establishes Docket No. CP2012-35 for consideration of matters raised in the Notice. Interested persons may submit comments on whether the Postal Service’s contract is consistent with the policies of 39 U.S.C. 3632 and 3633. Comments are due no later than June 29, 2012. The public portions of the Postal Service’s filing can be accessed via the Commission’s Web site at <http://www.prc.gov>.

The Commission appoints Derrick D. Dennis to represent the interest of the general public (Public Representative) in this case.

## III. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. CP2012-35 for consideration of matters raised in the Postal Service's June 21, 2012 Notice.

2. Pursuant to 39 U.S.C. 505, the Commission designates Derrick D. Dennis to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this case.

3. Comments by interested persons are due no later than June 29, 2012.

4. The Secretary shall arrange for publication of this Order in the Federal Register.

By the Commission.

Ruth Ann Abrams,

Acting Secretary.